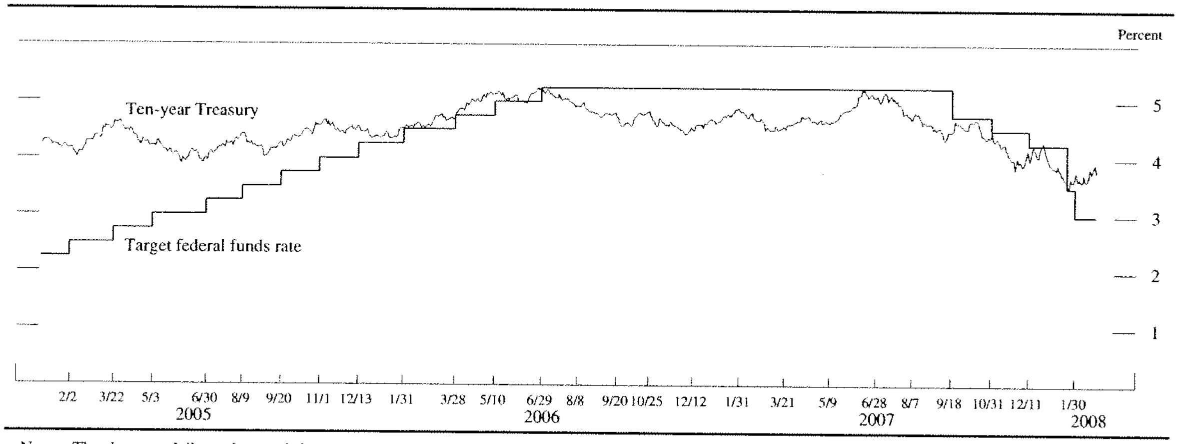
Exhibit I – 3

Part 3
Monetary Policy in 2007 and Early 2008

Throughout the first half of 2007, the available information pointed to a generally favorable economic outlook despite the ongoing correction in the housing market. Indicators of consumer and business spending were somewhat uneven, but their generally positive trajectories suggested that the housing market developments were, as yet, having little effect on the broader economy. Net exports, spurred in part by a falling dollar, were providing support to economic growth. Outside of the subprime mortgage sector, financial conditions in general were fairly accommodative. The Federal Open Market Committee expected core inflation to moderate from the somewhat elevated level that had prevailed at the start of the year, but high resource utilization had the potential to sustain upward pressure on inflation. As a result, during the first half of the year, the Committee consistently noted in its statement that its predominant policy concern was that inflation would fail to moderate as expected. However, in part owing to indications of increasing weakness in the housing sector, the Committee emphasized in the statements issued at the conclusion of its March, May, and June meetings that its future policy actions would depend on the evolution of the outlook for both inflation and economic growth.

When the Committee met on August 7, financial markets had been unusually volatile for a few weeks, and credit conditions had become somewhat tighter for some households and businesses. Participants in FOMC meetings (Board members and Reserve Bank presidents) noted that adjustments in the housing sector had the potential to prove deeper and more prolonged than had seemed likely earlier in the year, and a further underperformance in the housing area represented a significant downside risk to the economic outlook. Nonetheless, incoming data indicated that economic growth had strengthened in the second quarter, as a quicker pace of business spending offset a slowdown in consumer outlays. Participants believed that the economy remained likely to expand at a moderate pace in coming quarters, supported in part by continued growth in business investment and a robust global economy. Although core inflation had moved lower since the start of the year, participants were still concerned about several factors—including a continued high level of resource utilization—that could augment inflation pressures. They believed that a sustained moderation in those pressures had yet to be convincingly demonstrated. As a result, the FOMC decided to leave the target for the federal funds rate unchanged at 5¼ percent and, despite somewhat greater downside risks to growth, reiterated that the predominant policy concern remained the risk that inflation would fail to moderate as expected.

Selected interest rates, 2005–08



Note: The data are daily and extend through February 21, 2008. The ten-year Treasury rate is the constant-maturity yield based on the most actively traded securities. The dates on the horizontal axis are those of regularly scheduled FOMC meetings.
Source: Department of the Treasury and the Federal Reserve.

In the days following the August 7 FOMC meeting, financial conditions deteriorated rapidly as market participants became concerned about counterparty credit risk and their access to liquidity. After an FOMC conference call on August 10 to review worsening strains in money and credit markets, the Committee issued a statement indicating that the Federal Reserve would provide reserves as necessary through open market operations to promote trading in the federal funds market at rates close to the FOMC's target rate of 5¼ percent. As conditions deteriorated further, the Committee met again on August 16 by conference call to discuss the potential usefulness of various policy responses. The following day, the Federal Reserve announced changes in discount window policies to facilitate the orderly functioning of short-term credit markets. Furthermore, the FOMC released a statement indicating that the downside risks to growth had increased appreciably and that the Committee was prepared to act as needed to mitigate adverse effects on the economy. (The box entitled "The Federal Reserve's Responses to Financial Strains" provides additional detail on the outcomes of these conference calls and other measures taken by the Federal Reserve to facilitate the orderly functioning of financial markets over the second half of the year, including coordinated actions with other central banks.)

At the time of the September FOMC meeting, financial markets remained volatile. Liquidity in short-term funding markets was significantly impaired amid heightened investor unease about exposures to subprime mortgages and to structured credit products more broadly. Credit generally remained available for most businesses and households, but the Committee noted that the tighter credit conditions for other borrowers had the potential to restrain economic growth. Incoming economic data were mixed: Consumer spending appeared to have strengthened from its subdued second-quarter pace, but a further intensification of the housing contraction and slowing employment growth suggested a weaker economic outlook. Participants noted that incoming data on core inflation continued to be favorable and that the downwardly revised economic outlook implied some lessening of pressures on resources, but they remained concerned about possible upside risks to inflation. To forestall some of the adverse macroeconomic effects that might otherwise arise from the disruptions in financial markets and to promote moderate growth over time, the FOMC lowered the target for the federal funds rate 50 basis points, to 4¾ percent. The Committee also noted that recent developments had increased the uncertainty surrounding the economic outlook and stated that it would act as needed to foster price stability and sustainable economic growth.

At the time of the October FOMC meeting, the data indicated that economic growth had been solid in the third quarter. A pickup in consumer spending and continued expansion of business investment suggested that spillovers from the turmoil in the housing and financial markets had been limited to that point. Although strains in financial markets had eased somewhat on balance, tighter credit conditions were thought likely to slow the pace of economic expansion over coming quarters. Furthermore, the downturn in residential construction had deepened, and available indicators pointed to a further slowing in housing activity in the near term. FOMC meeting participants noted that readings on core inflation had improved somewhat over the year and anticipated that some of the moderation likely would be sustained. Nonetheless, participants expressed concern about the upside risks to the outlook for inflation, stemming in part from the effects of recent increases in commodity prices and the significant decline in the foreign exchange value of the dollar. Against that backdrop, the Committee decided to lower the target for the federal funds rate 25 basis points, to 4½ percent, and judged that the upside risks to inflation roughly balanced the downside risks to growth.

Also at the October meeting, the Committee continued its discussions regarding communication with the public. Participants reached a consensus on increasing the frequency and expanding the content of their periodic economic projections. Under the new procedure, which was announced on November 14, the FOMC compiles and releases the projections made by the Federal Reserve Governors and Reserve Bank presidents four times each year, at approximately quarterly intervals, rather than twice each year, as had been the practice since 1979. In addition, the projection horizon has been extended from two years to three years. FOMC meeting participants provide projections for the increase in the price index for total personal consumption expenditures (PCE) as well as projections for real GDP growth, the unemployment rate, and core PCE price inflation. Summaries of the projections and an accompanying narrative are published along with the minutes of the FOMC meeting at which they were discussed. Beginning with the present report, the projections made in January are included in the February *Monetary Policy Report to the Congress*, and the projections made in June are included in the July report.

In a conference call on December 6, Board members and Reserve Bank presidents reviewed conditions in domestic and foreign financial markets and discussed two proposals aimed at improving market functioning. The first proposal was for the establishment of a temporary Term Auction Facility (TAF), which would provide term funding through an auction mechanism to eligible

depository institutions against a broader range of collateral than that used for open market operations. The second proposal was to set up a foreign exchange swap arrangement with the European Central Bank to address elevated pressures in short-term dollar funding markets. At the conclusion of the discussion, the Committee voted to direct the Federal Reserve Bank of New York to establish and maintain a reciprocal currency (swap) arrangement for the System Open Market Account with the European Central Bank.[13] The Board of Governors approved the TAF via notation vote on December 10.

At the Committee's meeting on December 11, participants noted that incoming information suggested economic activity had decelerated significantly in the fourth quarter. The housing contraction had steepened further, and participants agreed that the sector was weaker than had been expected at the time of the Committee's previous meeting. Moreover, spillovers from housing to other parts of the economy had begun to emerge: Consumption spending appeared to be softening more than had been anticipated, and employment gains appeared to be slowing. Participants noted that evidence of further deterioration in the credit quality of mortgages and other loans to households appeared to be spurring lenders to further tighten the terms on new extensions of credit for a widening range of credit products. Financial market conditions had worsened significantly. The financial strains were exacerbated by concerns related to year-end pressures in short-term funding markets, and similar stresses were evident in the financial markets of major foreign economies. Although a surge in energy prices pushed up headline consumer price inflation during September and October, Committee members agreed that the inflation situation had changed little from the time of the previous meeting. In these circumstances, the FOMC lowered the target for the federal funds rate a further 25 basis points, to 4¼ percent, and, given the heightened uncertainty, the Committee decided to refrain from providing an explicit assessment of the balance of risks. The Committee also indicated that it would continue to assess the effects of financial and other developments on economic prospects and act as needed to foster price stability and sustainable economic growth. In addition to that policy move, the Federal Reserve and several other central banks announced on December 12 the measures they were taking to address elevated pressures in short-term funding markets. The Federal Reserve announced the creation of the TAF and the establishment of foreign exchange swap lines with the European Central Bank and the Swiss National Bank.

In a conference call on January 9, the Committee reviewed recent economic data and financial market developments. The information, which included weaker-than-expected data on home sales and employment for December, as well as a sharp decline in equity prices since the beginning of the year, suggested that the downside risks to growth had increased significantly since the time of the December FOMC meeting. Moreover, participants cited concerns that the slowing of economic growth could lead to a further tightening of financial conditions, which in turn could reinforce the economic slowdown. However, participants noted that core inflation had edged up in recent months and believed that considerable uncertainty surrounded the inflation outlook. Participants were generally of the view that substantial additional policy easing might well be necessary to support economic activity and reduce the downside risks to growth, and they discussed the possible timing of such actions.

On January 21, the Committee held another conference call. Participants in the call noted that strains in some financial markets had intensified and that incoming evidence had reinforced their view that the outlook for economic activity was weak. Participants observed that investors apparently were becoming increasingly concerned about the economic outlook and that these developments could lead to an excessive pullback in credit availability. Against that background, members judged that a substantial easing in policy was appropriate to foster moderate economic growth and reduce the downside risks to economic activity. The Committee decided to lower the target for the federal funds rate 75 basis points, to 3½ percent, and stated that appreciable downside risks to growth remained. Although inflation was expected to edge lower over the course of 2008, participants underscored that this assessment was conditioned upon inflation expectations remaining well anchored and stressed that the inflation situation should continue to be monitored carefully.

The data reviewed at the regularly scheduled FOMC meeting on January 29 and 30 confirmed a sharp deceleration in economic growth during the fourth quarter of 2007 and continued tightening of financial conditions. With the contraction in the housing sector intensifying and a range of financial markets remaining under pressure, participants generally expected economic growth to remain weak in the first half of 2008 before picking up strength in the second half. However, the continuing weakness in home sales and house prices, as well as the tightening of credit conditions for households and businesses, were seen as posing downside risks to the near-term outlook for economic growth. Moreover,

13. A swap arrangement with the Swiss National Bank was approved by the Committee on December 11.

many participants cited risks regarding the potential for adverse feedback between the financial markets and the economy. Participants expressed some concern about the disappointing inflation data received over the latter part of 2007. Although many expected that a leveling out of prices for energy and other commodities, such as that embedded in futures markets, and a period of below-trend growth would contribute to some moderation in inflation pressures over time, the Committee believed that it remained necessary to monitor inflation developments carefully. Against that backdrop, the FOMC decided to lower the target for the federal funds rate 50 basis points, to 3 percent. The Committee believed that the policy action, combined with those taken earlier, would help promote moderate growth over time and mitigate the risks to economic activity. However, members judged that downside risks to growth remained.

Part 4
Summary of Economic Projections

The following material appeared as an addendum to the minutes of the January 29–30, 2008, meeting of the Federal Open Market Committee.

In conjunction with the January 2008 FOMC meeting, the members of the Board of Governors and the presidents of the Federal Reserve Banks, all of whom participate in the deliberations of the FOMC, provided projections for economic growth, unemployment, and inflation in 2008, 2009, and 2010. Projections were based on information available through the conclusion of the January meeting, on each participant's assumptions regarding a range of factors likely to affect economic outcomes, and on his or her assessment of appropriate monetary policy. "Appropriate monetary policy" is defined as the future policy that, based on current information, is deemed most likely to foster outcomes for economic activity and inflation that best satisfy the participant's interpretation of the Federal Reserve's dual objectives of maximum employment and price stability.

The projections, which are summarized in table 1 and chart 1, suggest that FOMC participants expected that output would grow at a pace appreciably below its trend rate in 2008, owing primarily to a deepening of the housing contraction and a tightening in the availability of household and business credit, and that the unemployment rate would increase somewhat. Given the substantial reductions in the target federal funds rate through the January FOMC meeting as well as the assumption of appropriate policy going forward, output growth further ahead was projected to pick up to a pace around or a bit above its long-run trend by 2010. Inflation was expected to decline in 2008 and 2009 from its recent elevated levels as energy prices leveled out and economic slack contained cost and price increases. Most participants judged that considerable uncertainty surrounded their projections for output growth and viewed the risks to their forecasts as weighted to the downside. A majority of participants viewed the risks to the inflation outlook as broadly balanced, but a number of participants saw the risks to inflation as skewed to the upside.

Table 1. Economic projections of Federal Reserve Governors and Reserve Bank presidents

Percent

	2008	2009	2010
Central tendency[1]			
Growth of real GDP	1.3 to 2.0	2.1 to 2.7	2.5 to 3.0
October projections	1.8 to 2.5	2.3 to 2.7	2.5 to 2.6
Unemployment rate	5.2 to 5.3	5.0 to 5.3	4.9 to 5.1
October projections	4.8 to 4.9	4.8 to 4.9	4.7 to 4.9
PCE inflation	2.1 to 2.4	1.7 to 2.0	1.7 to 2.0
October projections	1.8 to 2.1	1.7 to 2.0	1.6 to 1.9
Core PCE inflation	2.0 to 2.2	1.7 to 2.0	1.7 to 1.9
October projections	1.7 to 1.9	1.7 to 1.9	1.6 to 1.9
Range[2]			
Growth of real GDP	1.0 to 2.2	1.8 to 3.2	2.2 to 3.2
October projections	1.6 to 2.6	2.0 to 2.8	2.2 to 2.7
Unemployment rate	5.0 to 5.5	4.9 to 5.7	4.7 to 5.4
October projections	4.6 to 5.0	4.6 to 5.0	4.6 to 5.0
PCE inflation	2.0 to 2.8	1.7 to 2.3	1.5 to 2.0
October projections	1.7 to 2.3	1.5 to 2.2	1.5 to 2.0
Core PCE inflation	1.9 to 2.3	1.7 to 2.2	1.4 to 2.0
October projections	1.7 to 2.0	1.5 to 2.0	1.5 to 2.0

NOTE: Projections of the growth of real GDP, of PCE inflation, and of core PCE inflation are percent changes from the fourth quarter of the previous year to the fourth quarter of the year indicated. PCE inflation and core PCE inflation are the percentage rates of change in, respectively, the price index for personal consumption expenditures and the price index for personal consumption expenditures excluding food and energy. Projections for the unemployment rate are for the average civilian unemployment rate in the fourth quarter of the year indicated. Each participant's projections are based on his or her assessment of appropriate monetary policy.

1. The central tendency excludes the three highest and three lowest projections for each variable in each year.

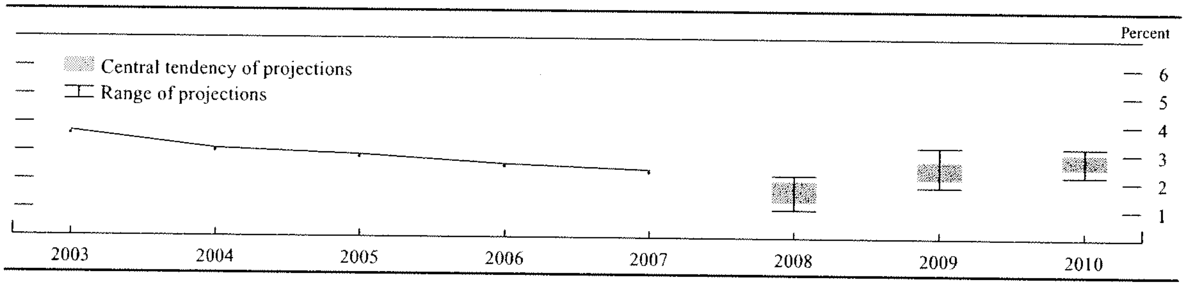
2. The range for a variable in a given year includes all participants' projections, from lowest to highest, for that variable in that year.

The Outlook

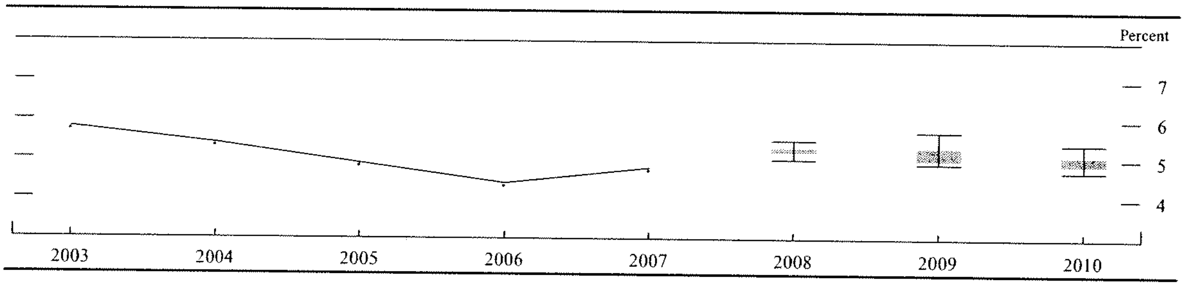
The central tendency of participants' projections for real GDP growth in 2008, at 1.3 to 2.0 percent, was considerably lower than the central tendency of the projections provided in conjunction with the October FOMC meeting, which was 1.8 to 2.5 percent. These downward revisions to the 2008 outlook stemmed from a number of factors, including a further intensification of the housing market correction, tighter credit conditions amid increased concerns about credit quality and ongoing turmoil in financial markets, and higher oil prices. However, some participants noted that a fiscal stimulus package would likely provide a temporary boost to domestic demand in the second half of this year. Beyond 2008, a number of factors were projected to buoy economic growth, including a gradual turnaround in housing markets, lower interest rates associated with the substantial easing of monetary policy to date and appropriate adjustments to policy going forward, and an anticipated reduction in financial market strains. Real GDP was expected to accelerate somewhat in 2009 and

Chart 1: Central tendencies and ranges of economic projections

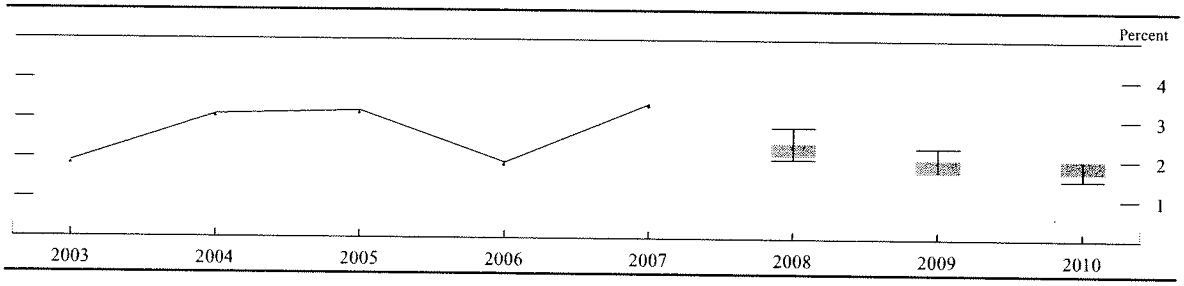
Real GDP growth



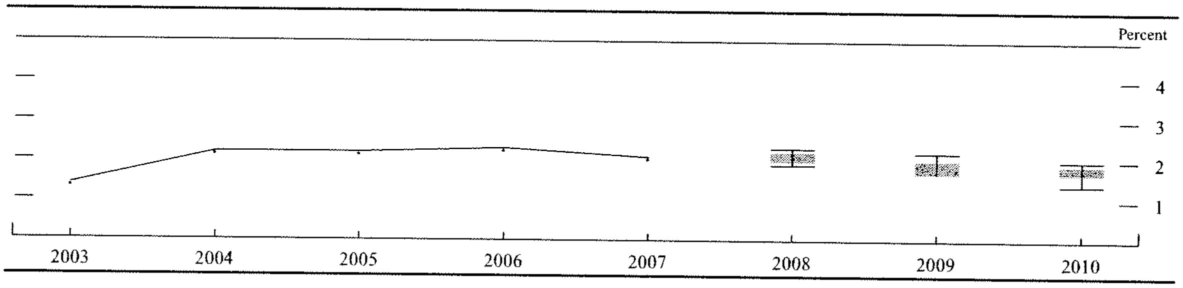
Unemployment rate



PCE inflation



Core PCE inflation



Note: See notes to table 1 for variable definitions.

by 2010 to expand at or a little above participants' estimates of the rate of trend growth.

With output growth running below trend over the next year or so, most participants expected that the unemployment rate would edge higher. The central tendency of participants' projections for the average rate of unemployment in the fourth quarter of 2008 was 5.2 to 5.3 percent, above the 4.8 to 4.9 percent unemployment rate forecasted in October and broadly suggestive of some slack in labor markets. The unemployment rate was generally expected to change relatively little in 2009 and then to edge lower in 2010 as output growth picks up, although in both years the unemployment rate was projected to be a little higher than had been anticipated in October.

The higher-than-expected rates of overall and core inflation since October, which were driven in part by the steep run-up in oil prices, had caused participants to revise up somewhat their projections for inflation in the near term. The central tendency of participants' projections for core PCE inflation in 2008 was 2.0 to 2.2 percent, up from the 1.7 to 1.9 percent central tendency in October. However, core inflation was expected to moderate over the next two years, reflecting muted pressures on resources and fairly well-anchored inflation expectations. Overall PCE inflation was projected to decline from its current elevated rate over the coming year, largely reflecting the assumption that energy and food prices would flatten out. Thereafter, overall PCE inflation was projected to move largely in step with core PCE inflation.

Participants' projections for 2010 were importantly influenced by their judgments about the measured rates of inflation consistent with the Federal Reserve's dual mandate to promote maximum employment and price stability and about the time frame over which policy should aim to attain those rates given current economic conditions. Many participants judged that, given the recent adverse shocks to both aggregate demand and inflation, policy would be able to foster only a gradual return of key macroeconomic variables to their longer-run sustainable or optimal levels. Consequently, the rate of unemployment was projected by some participants to remain slightly above its longer-run sustainable level even in 2010, and inflation was judged likely still to be a bit above levels that some participants judged would be consistent with the Federal Reserve's dual mandate.

Risks to the Outlook

Most participants viewed the risks to their GDP projections as weighted to the downside and the associated risks to their projections of unemployment as tilted to the upside. The possibility that house prices could decline more steeply than anticipated, further reducing households' wealth and access to credit, was perceived as a significant risk to the central outlook for economic growth and employment. In addition, despite some recovery in money markets after the turn of the year, financial market conditions continued to be strained—stock prices had declined sharply since the December meeting, concerns about further potential losses at major financial institutions had mounted amid worries about the condition of financial guarantors, and credit conditions had tightened in general for both households and firms. The potential for adverse interactions, in which weaker economic activity could lead to a worsening of financial conditions and a reduced availability of credit, which in turn could further damp economic growth, was viewed as an especially worrisome possibility.

Regarding risks to the inflation outlook, several participants pointed to the possibility that real activity could rebound less vigorously than projected, leading to more downward pressure on costs and prices than anticipated. However, participants also saw a number of upside risks to inflation. In particular, the pass-through of recent increases in energy and commodity prices as well as of past dollar depreciation to consumer prices could be greater than expected. In addition, participants recognized a risk that inflation expectations could become less firmly anchored if the current elevated rates of inflation persisted for longer than anticipated or if the recent substantial easing in monetary policy was misinterpreted as reflecting less resolve among Committee members to maintain low and stable inflation. On balance, a larger number of participants than in October viewed the risks to their inflation forecasts as broadly balanced, although several participants continued to indicate that their inflation projections were skewed to the upside.

The ongoing financial market turbulence and tightening of credit conditions had increased participants' uncertainty about the outlook for economic activity. Most participants judged that the uncertainty attending their January projections for real GDP growth and for the unemployment rate was above typical levels seen in the past. (Table 2 provides an estimate of average ranges of forecast uncertainty for GDP growth, unemployment, and inflation over the past twenty years.[14]) In contrast, the uncertainty attached to participants'

14. The box "Forecast Uncertainty" at the end of this summary discusses the sources and interpretation of uncertainty in economic forecasts and explains the approach used to assess the uncertainty and risks attending participants' projections.

Table 2. Average historical projection error ranges

Percentage points

	2008	2009	2010
Real GDP[1]	±1.2	±1.4	±1.4
Unemployment rate[2]	±0.5	±0.8	±1.0
Total consumer prices[3]	±1.0	±1.0	±0.9

NOTE: Error ranges shown are measured as plus or minus the root mean squared error of projections that were released in the winter from 1986 through 2006 for the current and following two years by various private and government forecasters. As described in the box "Forecast Uncertainty," under certain assumptions, there is about a 70 percent probability that actual outcomes for real GDP, unemployment, and consumer prices will be in ranges implied by the average size of projection errors made in the past. Further information is in David Reifschneider and Peter Tulip (2007), "Gauging the Uncertainty of the Economic Outlook from Historical Forecasting Errors," Finance and Economics Discussion Series #2007-60 (November).

1. Projection is percent change, fourth quarter of the previous year to fourth quarter of the year indicated.

2. Projection is the fourth quarter average of the civilian unemployment rate (percent).

3. Measure is the overall consumer price index, the price measure that has been most widely used in government and private economic forecasts. Projection is percent change, fourth quarter of the previous year to the fourth quarter of the year indicated. The slightly narrower estimated width of the confidence interval for inflation in the third year compared with those for the second and first years is likely the result of using a limited sample period for computing these statistics.

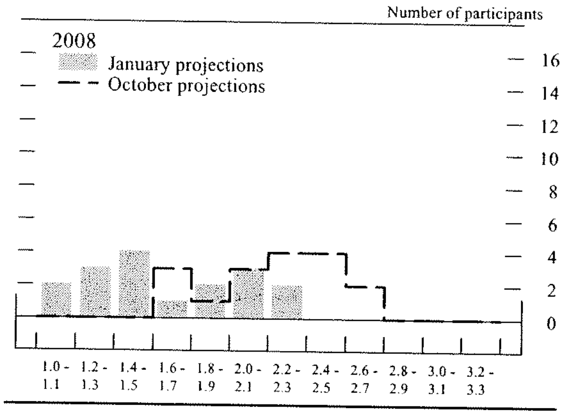
inflation projections was generally viewed as being broadly in line with past experience, although several participants judged that the degree of uncertainty about inflation was higher than normal.

Diversity of Participants' Views

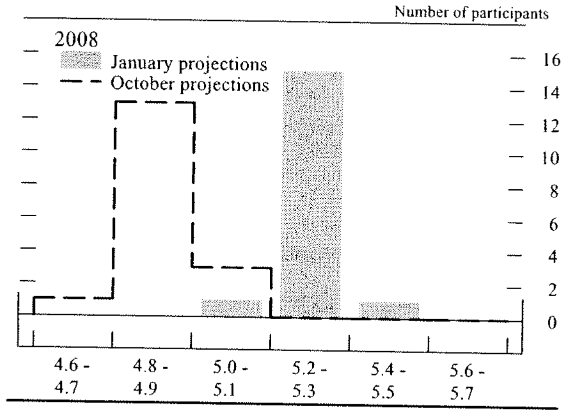
Charts 2(a) and 2(b) provide more detail on the diversity of participants' views. The dispersion of participants' projections for real GDP growth was markedly wider than in the forecasts submitted in October, which in turn were considerably more diverse than those submitted in conjunction with the June FOMC meeting and included in the Board's *Monetary Policy Report to the Congress* in July. Mirroring the increase in diversity of views on real GDP growth, the dispersion of participants' projections for the rate of unemployment also widened notably, particularly for 2009 and 2010. The dispersion of projections for output and employment seemed largely to reflect differing assessments of the effect of financial market conditions on real activity, the speed with which credit conditions might improve, and the depth and duration of the housing market contraction. The dispersion of participants' longer-term projections was also affected to some degree by differences in their judgments about the economy's trend growth rate and the unemployment rate that would be consistent over time with maximum employment. Views also differed about the pace at which output and employment would recover toward those levels over the forecast horizon and beyond, given appropriate monetary policy. The dispersion of the projections for PCE inflation in the near term partly reflected different views on the extent to which recent increases in energy and other commodity prices would pass through into higher consumer prices and on the influence that inflation expectations would exert on inflation over the short and medium run. Participants' inflation projections further out were influenced by their views of the rate of inflation consistent with the Federal Reserve's dual objectives and the time it would take to achieve these goals given current economic conditions and appropriate policy.

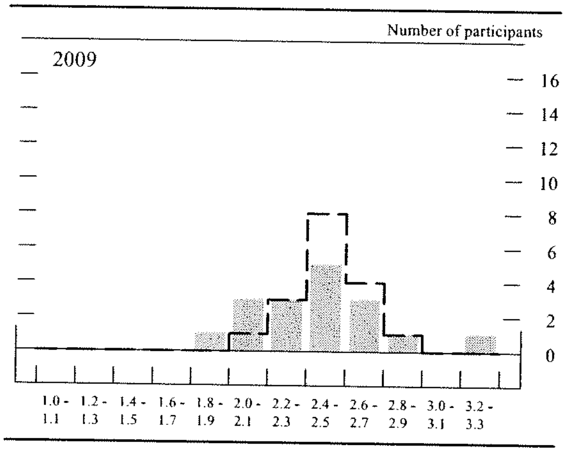
Chart 2(a): Distribution of participants' projections (percent)

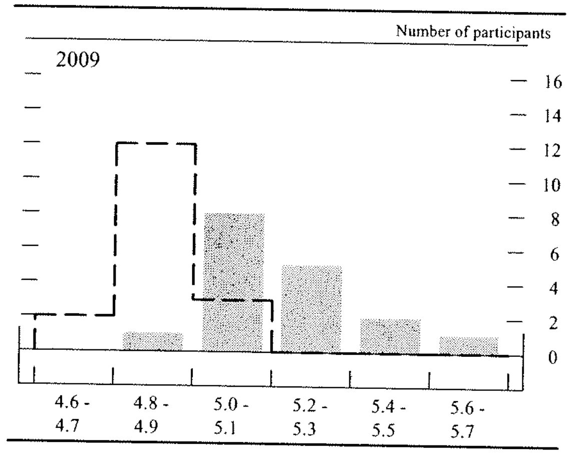
Real GDP

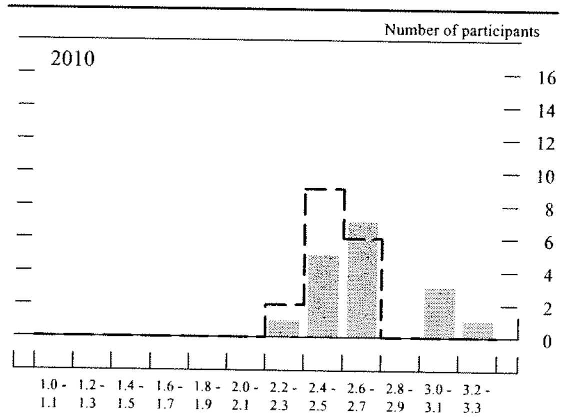


Unemployment rate









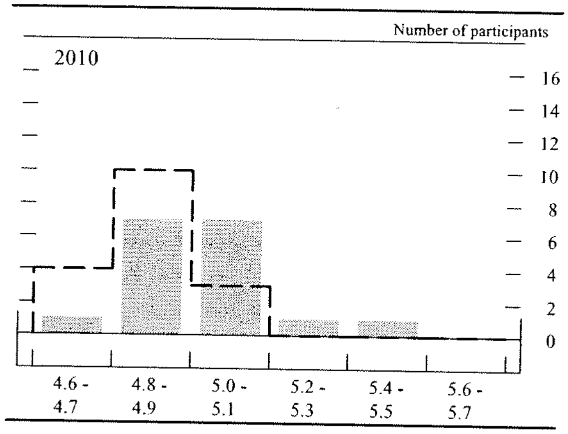
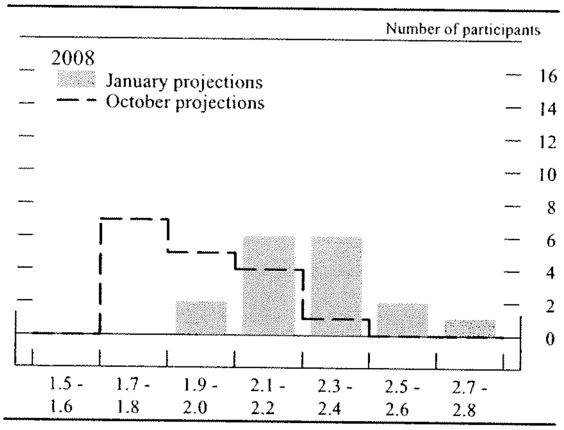
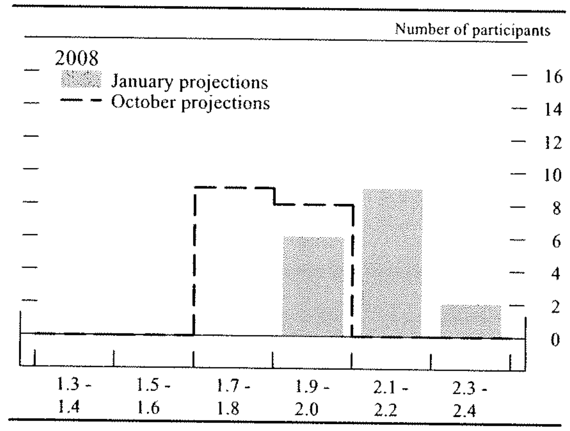


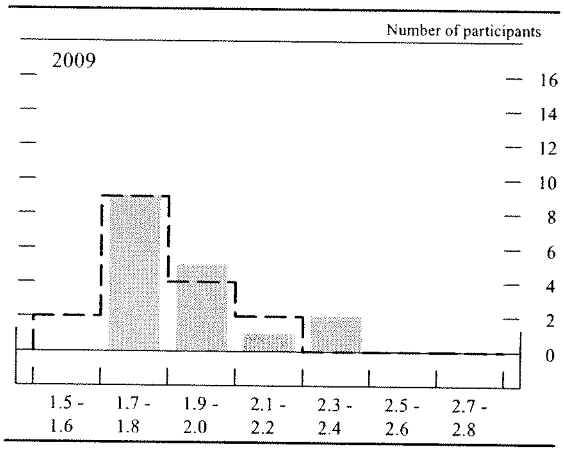
Chart 2(b): Distribution of participants' projections (percent)

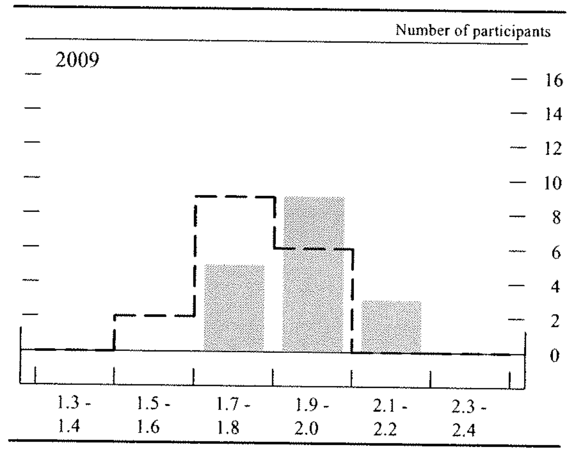
PCE inflation

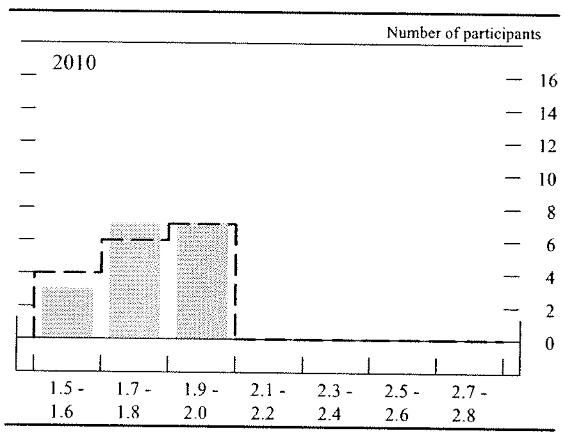


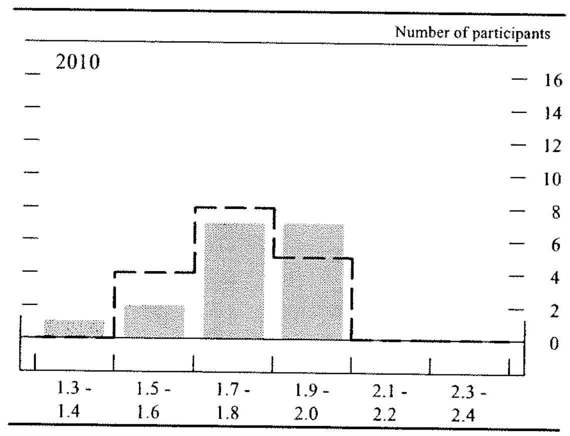
Core PCE inflation











Forecast Uncertainty

The economic projections provided by the members of the Board of Governors and the presidents of the Federal Reserve Banks help shape monetary policy and can aid public understanding of the basis for policy actions. Considerable uncertainty attends these projections, however. The economic and statistical models and relationships used to help produce economic forecasts are necessarily imperfect descriptions of the real world. And the future path of the economy can be affected by myriad unforeseen developments and events. Thus, in setting the stance of monetary policy, participants consider not only what appears to be the most likely economic outcome as embodied in their projections, but also the range of alternative possibilities, the likelihood of their occurring, and the potential costs to the economy should they occur.

Table 2 summarizes the average historical accuracy of a range of forecasts, including those reported in past Monetary Policy Reports and those prepared by Federal Reserve Board staff in advance of meetings of the Federal Open Market Committee. The projection error ranges shown in the table illustrate the considerable uncertainty associated with economic forecasts. For example, suppose a participant projects that real GDP and total consumer prices will rise steadily at annual rates of, respectively, 3 percent and 2 percent. If the uncertainty attending those projections is similar to that experienced in the past and the risks around the projections are broadly balanced, the numbers reported in table 2 might imply a probability of about 70 percent that actual GDP would expand between 1.8 percent to 4.2 percent in the current year, and 1.6 percent to 4.4 percent in the second and third years. The corresponding 70 percent confidence intervals for overall inflation would be 1 percent to 3 percent in the current and second years, and 1.1 percent to 2.9 percent in the third year.

Because current conditions may differ from those that prevailed on average over history, participants provide judgments as to whether the uncertainty attached to their projections of each variable is greater than, smaller than, or broadly similar to typical levels of forecast uncertainty in the past as shown in table 2. Participants also provide judgments as to whether the risks to their projections are weighted to the upside, downside, or are broadly balanced. That is, participants judge whether each variable is more likely to be above or below their projections of the most likely outcome. These judgments about the uncertainty and the risks attending each participant's projections are distinct from the diversity of participants' views about the most likely outcomes. Forecast uncertainty is concerned with the risks associated with a particular projection, rather than with divergences across a number of different projections.